



COUNTY OF LOS ANGELES

Internal Services Department

1100 North Eastern Avenue
Los Angeles, California 90063



Dave Lambertson
Director

To enrich lives through effective and caring service.

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Date: August 24, 2005

Agenda Date: September 6, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR APPROVAL TO PURCHASE COMPUTER EQUIPMENT
(ALL SUPERVISORAL DISTRICTS - 3 VOTES)**

CIO RECOMMENDATION:

(X) APPROVE () APPROVE WITH MODIFICATION () DISAPPROVE

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD) to purchase computer server equipment for the expansion of eCAPS at an estimated one-time cost of \$3,590,000 and computer disk storage equipment at an estimated financed cost of \$1,752,000, for a total expenditure of \$5,342,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

This request is to comply with the County Equipment Policy that your Board approved on October 16, 2001. This policy requires that departments obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater.

eCAPS Computer Servers

Your Board approved the expansion of the eCAPS project on April 19, 2005, and ISD was authorized at that time to purchase the necessary hardware and software. The purchase cost of the four computer servers for processing and backup of eCAPS phase 2, that exceed the \$250,000 unit cost, is estimated to be \$3,590,000 and is budgeted in ISD's Fiscal Year (FY) 2005-06 Operating Budget.

Computer Disk Storage

ISD maintains disk storage for numerous computer applications in the County. This purchase will provide sufficient capacity for eCAPS phase 2 as well as the growth in

data storage needs of new and existing applications. The disk storage purchase exceeds the \$250,000 unit cost and will be financed at an estimated total cost of \$1,752,000. The estimated first year cost is \$204,000 and is budgeted in ISD's FY 2005-06 Operating Budget.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Acquisition of the computer equipment furthers the Board-approved Strategic Plan Goals of Service Excellence, Workforce Excellence, Organizational Effectiveness, and Fiscal Responsibility.

FISCAL IMPACT/FINANCING

There is no additional net County cost associated with this request. All costs are offset by billings to County departments.

The eCAPS Computer Servers costs are estimated to be \$3,590,000 and are included in ISD's FY 2005-06 Operating Budget.

The cost of the Computer Disk Storage is estimated to be \$1,450,000 and will be financed with LAC-CAL over five years for a total cost of \$1,752,000. The estimated partial first-year costs are \$204,000, the second-year to fifth-year costs are \$350,000 per year, and the final-year costs are \$148,000. The first-year costs of \$204,000 are included in ISD's FY 2005-06 Operating Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 16, 2001, your Board adopted a policy whereby departments must obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater.

CONTRACTING PROCESS

These equipment items are a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be requisitioned through and accomplished by the Purchasing Agent in accordance with the standard County's Purchasing policies and procedures.

IMPACT ON CURRENT SERVICES

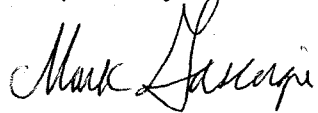
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The equipment will be used for the expansion of the eCAPS systems and will have an impact on all County departments.

CONCLUSION

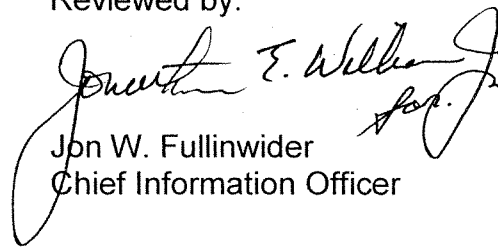
Your approval will allow ISD to acquire the resources necessary to successfully implement eCAPS Phase II.

Respectfully submitted,



Dave Lambertson *for*
Director

Reviewed by:



Jon W. Fullinwider
Chief Information Officer

DL:MG:RS:DC:TT:tt

Attachment (1 – CIO Analysis)

c: Chief Administrative Officer
County Counsel
Auditor-Controller

CIO ANALYSIS

Electronic Countywide Purchasing and Accounting System (eCAPS) Phase 2 Hardware Purchases

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: _____ Yrs # of Option Yrs _____

Contract Components:

☒ Software ☒ Hardware ☐ Telecommunications
☐ Professional Services

Project Executive Sponsor: Dave Lamberston, Director, Internal Services Department

Budget Information :

Y-T-D Contract Expenditures	\$
Requested Contract Amount	\$5,342,000
Aggregate Contract Amount	\$

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved?

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has data for this contract and/or project been entered into the Information Technology Tracking System (ITTS)?

Project/Contract Description:

The eCAPS Board Letter requests authorization for the Internal Services Department (ISD) to purchase computer server equipment for the expansion of eCAPS at an estimated one-time cost of \$3,590,000 and computer disk storage equipment at an estimated financed cost of \$1,752,000, for a total expenditure of \$5,342,000.

Background:

The eCAPS servers must be provided by IBM in order to be compatible with the existing servers. The disk storage must be provided by EMC in order to be compatible with existing disk storage. IBM servers and EMC disks are available from numerous distributors and these purchases will be competitively bid.

On April 19, 2005, the Board approved Phase 2 of the eCAPS Project which consists of the budget preparation module that is going into production in January 2006, eHR - Time Collection (initial phase, DHS) going into production in April 2006, Materials Management capability going into production in July 2006, and Vendor Self Service going into production in July 2006.

ISD made the initial eCAPS Phase 1 server purchase of \$3,220,000 on August 31, 2004.

A budgeted upgrade of disk storage this fiscal year will provide sufficient capacity for eCAPS and other applications.

Project Justification/Benefits:

This purchase is needed to acquire adequate server and disk storage capacity to meet the requirements of the eCAPS and other (for disk) data center customers including the Cognos system to support these applications. System capacity requirements demand new capabilities of IBM Power 5 servers and EMC DMX-3 disk arrays.

Project Metrics

Completed with implementation of new servers in the data center and migration of data to the new disk array.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved

The eCAPS Phase 2 project cannot be implemented without this equipment.

Alternatives Considered:

Many different server configurations were considered. The chosen configuration has been judged the best at balancing the differing needs of the application servers and the database servers.

The disk options were either expanding capacity within the existing disk array or upgrading to a larger capacity array. Since the added data requirements would exceed existing array capacity within a year based on the eCAPS disk usage projections, ISD recommends that we upgrade to the new disk array system.

Project Risks:

There is minimal risk due to the use of standard server and disk equipment.

Risk Mitigation Measures:

Thorough planning, vendor involvement and commitment, and comprehensive implementation and migration activities will be established to minimize risk.

Financial Analysis:

The eCAPS Computer server costs are estimated to be \$3,590,000 and are included in ISD's FY 2005-06 Operating Budget and no financing is required.

The cost of the Computer Disk Storage is estimated to be \$1,450,000 and will be financed with LAC-CAL over five years for a total cost of \$1,752,000. The estimated first year (partial year) cost of \$204,000 is in ISD's FY 2005-06 Operating Budget.

CIO Concerns:

None.

CIO Recommendations:

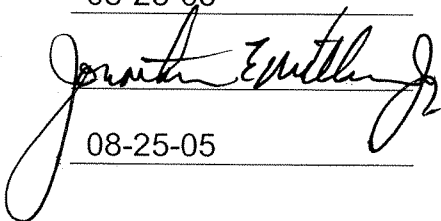
Recommend Board approval of the proposed acquisition.

CIO APPROVAL

Date Received: 08-22-05

Prepared by: Al Brusewitz

Date: 08-25-05

Approved: 

Date: 08-25-05